

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1381 – SB 1856

March 11, 2014

SUMMARY OF ORIGINAL BILL: Requires the State Board of Education to promulgate rules implementing a state salary schedule for licensed educators that is based on years of service and educational training. Requires the schedule to contain step increases for service and degree attainment. Requires the rule be amended each year in order to update the salary schedule. Authorizes a local education agency (LEA) to apply for a waiver if the LEA chooses to implement its own salary schedule.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014112): Deletes all language of the original bill. Authorizes local education agencies to adopt salary schedules that are identical, in structure or designated salary levels, or both, to the salary schedule that the LEA had in place during the 2012-2013 academic year. Such schedules shall contain step salary increases for years of service and advanced degrees. Prohibits the reduction of a teacher's salary as a result of adopting a salary schedule with step increases.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- No change in the amount of funding for salaries in the Basic Education Program (BEP) funding formula.
- LEAs may continue to use their existing salary schedule or adopt a new one pursuant to this bill.
- It is assumed that the overall funding for teacher's salaries will remain unchanged and therefore, that any increase in local expenditures as a result of adopting a step salary schedule is estimated to be not significant.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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